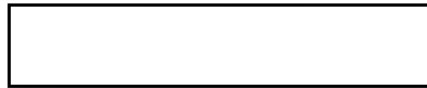


19 November 1973

Dick:

Here is a "stream of consciousness" thing which I prepared this weekend. It was prepared primarily in response to paragraph IV of your draft USIB memorandum. -- As you will see it slops over into many other areas.

No particular claim to originality is made. The following remarks might help as you read my recommendations to illustrate where recommendations likely would have or not have support.



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SUMMARY OF INTERIM RECOMMENDATIONS

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1. IMPROVE IDENTIFICATION OF BOTH SOURCE RELIABILITY AND INFORMATION RELIABILITY IN CLANDESTINE REPORTING (Both [] and Ed Proctor support and advocate this idea but problem will be foundering on detailed mechanisms.)
2. IMPROVE QUALITY OF SIGNAL INTELLIGENCE REPORTING WITH SPECIAL EMPHASIS ON PREPARATION OF INTEGRATED SIGNAL INTELLIGENCE ANALYTICAL REPORTS CONTAINING DIRNSA VIEWS ON INTENTIONS OF FOREIGN GOVERNMENTS RESULTING FROM SIGINT ANALYSIS. (NSA, although sensitive to its implications and pitfalls, I think supports and advocates this one.)
3. ESTABLISH COMMUNITY-WIDE INTELLIGENCE FORUM FOR THE PURPOSE OF COMBATING THE "MIND SET SYNDROME" (Everyone favors this and sees it falling under NIO's aegis.)
4. CREATE A CHALLENGE MECHANISM EXTERNAL TO THE INTELLIGENCE COMMUNITY TO COMBAT THE DUAL PROBLEMS OF ANALYST DESENSITIZATION RESULTING FROM LONG TERM EXPOSURE TO CONFRONTATION SITUATIONS AND THE PROBLEM OF THE REINFORCING CONSENSUS. (Everyone wants a challenge mechanism. Quarrel will be how the details will be worked out.)
5. REVIEW THE ORGANIZATION AND EMPLOYMENT OF ANALYSTS WITHIN THE PRINCIPAL INTELLIGENCE PRODUCTION AGENCIES TO DETERMINE IF PERSONNEL ASSETS CAN BE MORE EFFECTIVELY USED. (Views of post-mortem staff -- In-house DDI post-mortem agrees, I believe, but not for attribution.)
6. CONDUCT A COMMUNITY-WIDE REVIEW OF THE ADEQUACY OF PRODUCTION ASSETS AND FUNDING TO INCLUDE RECOMMENDATIONS FOR COLLECTION TRADE-OFFS IF REQUIRED. (Mine -- I think the collection/production funding issue is the most important problem the community faces.)
7. EXAMINE THE ADEQUACY OF ANALYTICAL METHODOLOGIES USED IN INTELLIGENCE PRODUCTION. (Views of Post-Mortem Staff and agreed with by some working level types.)

INTERIM RECOMMENDATIONS. (Usual caveat that this is an interim report..., then proceed into the text.)

1. CLANDESTINE SOURCE REPORTING.

HUMINT reporting from clandestine sources continued to be a vital source of intelligence. As was illustrated earlier in this report, the effective exploitation of several crucial reports from this collection source would have been pivotal in an analytical determination that war was imminent. Yet, this analysis was not made.

Extensive interviewing of both collectors and producers of intelligence indicate that a significant problem exists which impairs the analyst's ability to determine the validity of a specific clandestine report. It is obvious that the weight which an analyst will place on a specific report is to a great extent a function of the reliability of the source and assessment of the source's access to the information he is reporting on.

Currently, the assessment of these two factors is contained in the introductory element of the report and is couched in one of several alternative and specifically worded set phrases. The production analyst, accustomed over the years to studying these types of reports, finds that he is unable to pierce these set phrases so that he can distinguish between

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Part of this obfuscation is, of course, deliberate and for the purpose of protecting the source of vital information. However, to

protect information sources to the point where their message does not impact upon that part of the community responsible for production of intelligence is self-defeating.

Recommendation: That the clandestine service, in conjunction with the major intelligence agency production managers, review present systems for identification of both sources and the reliability of their information in order to maximize the use of clandestine HUMINT reporting.

2. COMMUNICATION AND SIGNAL INTELLIGENCE.

STAT As a result of reviewing NSA products, NSA in-house briefings, and interviewing a number of key Middle East analysts at NSA, we have concluded that a sense of the imminency of war was felt more acutely at that agency than anywhere else in the community. Prior to the outbreak of hostilities, the chief of [] group (Middle East) was recalled from leave, emergency watch rosters prepared, an additional Arabic linguist dispatched to a Middle East targeted collection site, and a series of NSA "Spot Reports" were issued to the community. The chief of [] STAT group (Soviet Union) indicated in an interview that after consultation with his opposite number in [] group, he left his office on Friday STAT evening, October 5, confident that hostilities would commence the next day.

Regardless of this NSA sensing of the imminency of war, our review of both the written record and our conduct of interviews indicates that NSA was unable to transmit their conviction to the principal intelligence production agencies. Several factors were responsible for this, but the principal ones related to the means by which signal intelligence derived materials was transmitted to the production analyst and the latter's ability to absorb them.

In a typical non-crisis week, as many as several hundred signal intelligence derived reports will cross the desk of the production analyst. It is his task to sift these reports to separate the wheat from the chaff.

A recurring theme noted in interviewing production analysts was their sense of being overwhelmed by the volume of the NSA reports they received. As one analyst put it, "I was deafened by the 'noise' of signal intelligence."

No production analyst was found who wanted the volume of NSA's message traffic reduced. However, there was an almost universal desire expressed by these analysts for NSA to provide greater focus to their information and, in addition, provide integrative reports. The production analysts view is that such assistance is needed primarily due to the limited availability of analysts. In brief, the provision of raw intelligence exceeds the producers capability to analyze and report.

The response of NSA to these views were several. They noted that an effort to highlight what they believed were particularly significant items of information had been made by them and was provided the producer in the form of "NSA Spot Reports". Perhaps of even greater significance, the interview process clearly revealed a sensitivity on the part of NSA to criticism which might be engendered should NSA involve itself too deeply in providing finished products derived from signal intelligence. As one principal production manager at NSA opined, "the intelligence community reserves for itself the right to analyze the product of the National Security Agency."

Our review of existing documents does not reveal the existence of any directive which precludes the National Security Agency from providing written, integrated analysis of signal intelligence and rendering their judgment as to the meaning of their signal intelligence analysis in terms of the intentions of foreign governments.

Recommendation: That NSA, in conjunction with the principal production agencies, investigate means by which alternative signal intelligence products can be developed to better assist the production analyst.

3. ESTABLISHING OF A COMMUNITY-WIDE INTELLIGENCE FORUM FOR THE PURPOSE OF COMBATING THE "MIND SET SYNDROME".

It is our judgment that the analytical problem was compounded by the fact that the majority of the intelligence community's analysts held preconceived views concerning several crucial aspects of the Middle East equation.

This is what has been referred to as the "mind set" syndrome. Among the most important of these "mind sets" was the belief that as an Arab attack on Israel was unnecessary politically, it would not occur.

As is the case in most established "mind sets", there was a substantial basis for this analytical judgment. From a political point of view, the subscribers to the "no-war" theory built their position on the basis of several seemingly sound indicators. Among them were these:

a. Sadat's conduct, over the long haul, had appeared rational, moderate, and measured. He was not viewed as a man who would choose the military option given other alternatives.

b. While less was known concerning Asad, the general direction in which Syria had been heading also signified a moderate rather than extreme course.

c. The Sadat-Faysal talks of late August 1973 and the coolness which characterized the 1973 Sadat-Qadaffi relationship were interpreted as further signals that the Egyptians and Syrians were opting for the Saudi Arabian strategy of

using oil as an economic weapon. The leverage which the Arabs could bring to bear in resolving the Israeli problem through limiting or embargoing Middle East oil was apparent.

Little emphasis was placed upon examining the validity of alternative Arab political options. Specifically, the above-described "mind set" gave insufficient consideration to two important factors. First among these was the possibility that the "oil-squeeze" strategy, which would take several years to fully implement, might not meet the needs of the Egyptian and Syrian leaders who were facing serious dissident domestic problems.

Second, the "no-war" view gave insufficient consideration to the rage and frustration which Arabs who share contiguous borders with Israel experience. The Israeli incursions across the Lebanon and Syrian borders, the commando raid in Beirut, the Israeli air hijacking incident, and the heavy air losses sustained by the Syrians on 13 September, all provided fuel to the Arab advocates of jihad.

Third, and perhaps most significant of all, there was only a limited recognition that Arab oil strategy and an Arab resort to arms were not necessarily mutually exclusive alternatives. They could complement each other and even be particularly effective in an atmosphere of Great Power detente.

Regardless of these shortcomings in the political analysis, the "mind set" view of the Arab political scene would have had only limited validity by itself. However, it was buttressed by a second "mind set"-- the belief that as the military effectiveness of the Arab military forces, when measured against the Israelis, was so weak that an Arab initiated war would be a suicidal undertaking.

Our review of military intelligence leads us to the conclusion that an inadequate reassessment of Arab combat effectiveness had been made in the wake of the 1967 war. It is our view that the absolute victory of Israeli arms in 1967 had a severe impact upon later analysis made by the intelligence community. The unchanging nature and tone of this analysis was noted in a number of documents. Some of the most specific judgments concerning the static state of Arab arms are provided as Attachment

Of particular interest in this regard was the faithful and accurate chronicling of the arrival of ever more sophisticated Soviet weapons systems, [REDACTED]

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[REDACTED] the identification of numerous Arab military exercises without concluding that the Arabs effectiveness might have been improved by this almost continuous effort.

In sum, the two "mind sets" were apparently mutually reinforcing--an Arab initiated war was politically unnecessary, and militarily suicidal--therefore, it will not occur. These views received inadequate challenge.

Recommendation: That the intelligence community, under the aegis of the appropriate National Intelligence Officers, establish a community-wide forum for the purpose of combating the "mind set syndrome". Crucial to the effectiveness of this body will be the presence of all elements of the community on a fully participative basis. (Ed. Note: What we are getting at here is the problem that DDO is sometimes reluctant to participate in meetings involving representation outside CIA.)

4. A CHALLENGE MECHANISM TO COMBAT THE TWO PROBLEMS OF ANALYST DESENSITIZATION RESULTING FROM LONG TERM EXPOSURE TO CONFRONTATION SITUATIONS AND THE REINFORCING CONSENSUS.

We note that in a long-standing confrontation problem, such as the Arab-Israeli situation represents, an analytical desensitization process takes place. This desensitization is a result of the analysts experiencing a series of crisis situations among the adversaries, each of which subsides short of a major resort to arms. There may have been as many as a dozen of these danger points in the Arab-Israeli problem during the past three years, any one of which might have precipitated a war. Given these circumstances, analysts are most unlikely to be able to predict war in "case 12" when cases 1 through 11 passed into history without initiating the fourth Israeli war.

The Arab-Israeli intelligence analysis problem is not unique. We believe it is typical of a number of world-wide confrontation situations each of which is crucial to U.S. interests, i.e., the Koreas, Indochina, Sino-Soviet border, etc. They exhibit certain similar characteristics. In each case the political views of the adversaries are known, their long-term national objectives identified, a comparison of their relative military strengths available, the constraints believed to be limiting, the range of prospective adversaries' courses of action defined, and the confrontation is likely to continue indefinitely.

In each of these confrontation situations, the analytical problem is complicated by two factors. First, the proximity, even physical contiguity, of the adversaries allows for the possibility of almost

instant war, thus complicating the intentions identification problem. Second, as in each case a confrontation will have global implications, analysis is complicated by the need to determine accurately the intentions of a larger number of players than the prospective belligerents.

Confrontation analysts develop an overview of the problem which exhibits these characteristics. They recognize the depth of the enmities involved and accept the unlikelihood of their resolution. They are accustomed to dealing with the problem over the years and are, therefore, unlikely to be alarmist. And finally, they are acutely conscious of their limited ability to determine the confrontation players' short-term intentions.

Confrontation analysts determine what they know and don't know. After making every effort to close "the gap" among these unknowns, they tend to accept the fact that there are likely to be critical elements of information they will be unable to determine. However, to reach conclusions concerning their confrontation area, they review their analysis of the problem with other community analysts charged with the same problem. As all of the confrontation analysts are operating from the same collection base, it is not surprising that their conclusions are quite similar, with differences in judgments usually more apparent than real. As a result, the intelligence community analysts perhaps unconsciously find themselves reinforcing each others judgments.

Recommendation: That a mechanism be established within the intelligence community to challenge these problems of analyst desensitization and the reinforcing consensus. While we recognize that manpower

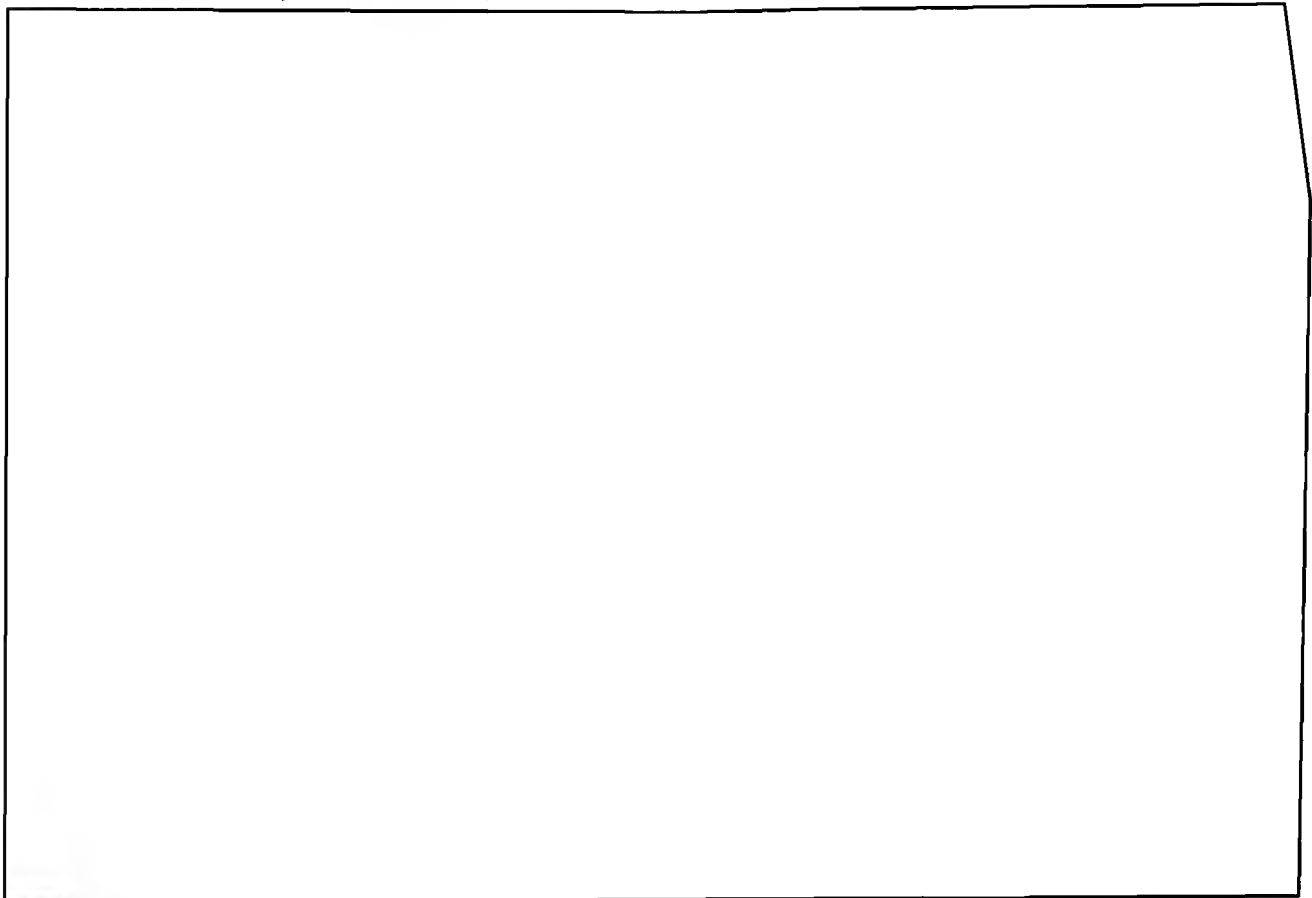
constraints are such that it would not be possible to challenge every view held by the intelligence community, those views which are identified as crucial to U.S. policy interests must be subjected to formal and external challenge.

One means by which this could be done would be to require the National Security Council to identify those specific problems which they consider crucial to U.S. policy interests. Upon identification of the issues, a small staff of substantively knowledgeable analysts be established under the direction of the Director of National Security Affairs on a one-for-one basis, i.e., one analyst for each specific problem. These analysts would be charged with taking the same information as is available to the confrontation problem analyst to determine with these same indicators the "worst case" which could evolve as it would impact upon U.S. policy interests.

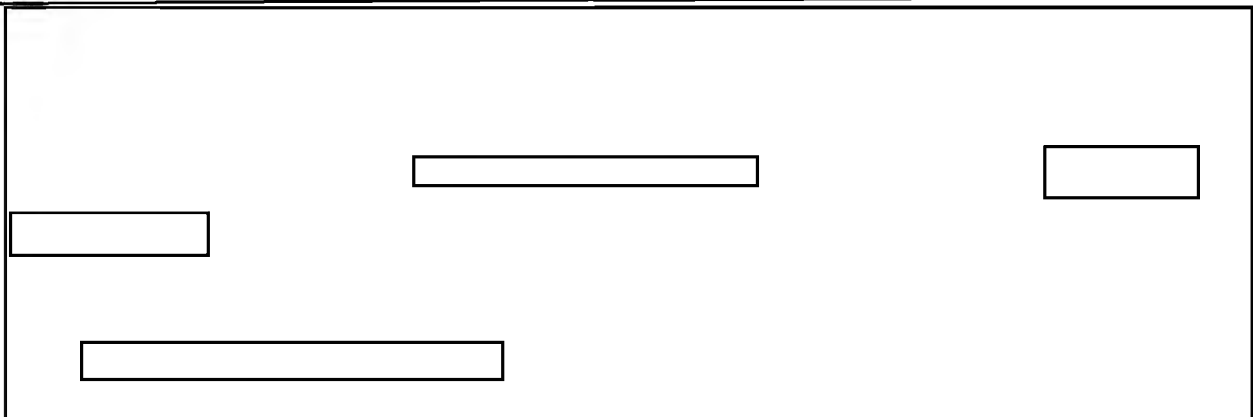
A restructured Watch Committee could serve as a body to assess the validity of the challenge which these independent "worst case" analysts present with their findings to the NSC.

5. SHORTCOMINGS IN MILITARY INTELLIGENCE ANALYSIS

We conclude that sufficient military indicators were present in late September and early October 1973 so that the intelligence community should have been aware that the likelihood of a new Arab-Israeli war, if not imminent, had markedly increased. The warning signs which military



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[redacted] The military intelligence analyst must make an assessment not only of the validity of the plan, but also of the likelihood that the intent is there to actually carry it out. Given the number

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[redacted]
must be considered equivocal. Only hindsight provides this reporting with illusion of absolute clarity.

If it is accepted that forecasting most of the 1973 Arab-Israeli war was a most difficult military analytical problem and that the likelihood of misreading the indicators a distinct possibility, it would be comforting if we could report that a continuous, detailed, systematic and integrated analysis of military intelligence was being conducted during the fall of 1973.

Unfortunately, such was not the case. The two principal intelligence production agencies assigned only professionals, on an exclusive basis, to analyze military intelligence problems. Our interviews indicate that the compartmentalization of these limited personnel resources in the study of Arab air and air defense, ground forces, and logistics were nowhere organizationally drawn together. Thus, an integrated analysis of the full spectrum of the military indicators present was not conducted separately from the political scene.

Instead, the principal military intelligence analysis was being accomplished by the more senior elements of the intelligence community's Middle East production staffs who were simultaneously fitting the precis

of military intelligence provided them into the broader analysis of "the big picture". Military activity was analyzed as it related to political events. No challenge mechanism was available to present military intelligence indicators in such a way as to force a review of the conclusions of diplomatic and political intelligence. It is difficult to escape the conclusion that strongly held political judgments concerning Arab intentions blinded the analytical community to the dangers which could be analyzed from a pure military intelligence review.

Recommendation: That the organization and employment of analysts within the principal intelligence production agencies be conducted to determine if personnel assets can be more effectively used.

6. EXAMINATION OF ADEQUACY OF INTELLIGENCE PRODUCTION ASSETS AND FUNDING.

When there has been a failure by the intelligence community to forecast a major world development, such as the 1973 Arab-Israeli war, there is a tendency to attempt to identify collection inadequacies as the source of the problem. More sophisticated, more expensive collection platforms and systems are asserted to be the solution.

Our examination of the community's performance lends us to the conclusion that neither a major expansion of existing collection systems nor the adoption of new collection platforms would have resolved our October failure and it is unlikely that it will materially assist forecasting future Arab-Israeli confrontations.

As was noted earlier,

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In brief, while there is always room for more quantitative and qualitative intelligence collection, it has been repeatedly demonstrated that the Arab-Israeli failure was one of evaluation not collection.

In an era of level or diminishing funding to support the intelligence community's efforts, our post-mortem requires us to touch upon this most sensitive issue--allocation of funds between collection and production.

Extensive interviewing throughout the community has led us to the conclusion that a significant imbalance exists. There are insufficient personnel assets assigned to analyzing intelligence problems crucial to U.S. policy interests. An equation which is composed of inadequate numbers of analytical personnel and a large number of production requirements will constantly result in the provision of superficial analysis.

Recommendation: That a community-wide review of the adequacy of production assets and funding be conducted to include recommendations for collection trade-offs if required.

7. EXAMINATION OF ADEQUACY OF ANALYTICAL METHODOLOGIES EMPLOYED BY THE INTELLIGENCE COMMUNITY.

Our review has led us to the conclusion that there is inadequate recognition of the fact that seldom are intelligence indicators so distinct, the evidence so clear, that the outbreak of hostilities can be predicted with a relatively high degree of certainty.

The 1973 Arab-Israeli war is a case in point. A compelling argument can be made that regardless of improvements which can be made in the community's collection, processing, and production systems, there is the continuing possibility that a "no-war" community conclusion might still have been reached. Expressed another way, in a complex and sophisticated environment, the intentions of foreign governments seldom can be read with precision.

However, we are of the persuasion that the use of systematic analytical methodologies increases the likelihood that the probabilities associated with an event occurring or not occurring can be provided to the intelligence consumer. Applied to the Arab-Israeli war, if war could not have been predicted, the application of probability evaluation would have made evident the existence of a dramatically increased likelihood of war. Our study did not reveal the use of specific analytical tools to assist in determining probabilities. We also noted, particularly in the area of current intelligence analysis, a tendency toward the comparison of the most recently received information with that information received immediately before rather than place it in a wider comparative context.

Recommendation: That, in conjunction with recommendations "5 and 6" a study be made of the use of various analytical methodologies in intelligence production.